

**HOUSE BILL NO. 81**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVES TILTON, Hughes, Gattis, Millett, Kito, LeDoux. Saddler, Drummond, Tuck, Olson, Vazquez**

**Introduced: 1/28/15**

**Referred: Labor and Commerce**

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to an exemption from the regulation of construction contractors."**

2   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3    \* **Section 1.** AS 08.18.161 is amended to read:

4           **Sec. 08.18.161. Exemptions.** To the extent that this chapter governs  
5           contractors, this chapter does not apply to

6                       (1) an authorized representative of the United States government, the  
7           State of Alaska, or a political subdivision or agency of the state;

8                       (2) an officer of a court when acting within the scope of office;

9                       (3) a public utility operating under the regulations of the Regulatory  
10          Commission of Alaska in construction, maintenance, or development work incidental  
11          to its own business;

12                      (4) a construction, repair, or operation incidental to the discovering or  
13          producing of petroleum or gas, or the drilling, testing, abandoning, or other operation  
14          of a petroleum or gas well or a surface or underground mine or mineral deposit when  
15          performed by an owner or lessee;

(5) the sale or installation of finished products, materials, or articles of merchandise that are not actually fabricated into and do not become a permanent, fixed part of a structure;

(6) construction, alteration, or repair of personal property;

(7) a person who only furnished materials, supplies, or equipment without fabricating them into, or consuming them in the performance of, the work of the contractor;

(8) [REPEALED

(9)] an owner who contracts for a project with a registered contractor;

(9) [(10)] a person working on that person's own property, whether occupied by the person or not, and a person working on that person's own residence, whether owned by the person or not;

(10) [(11)] an owner or tenant of commercial property who uses the owner's or tenant's own employees to do maintenance, repair, and alteration work on [UPON] that property;

(11) [(12)] an owner who acts as the owner's own contractor and in doing so performs the work independently or hires workers or [ON AN HOURLY BASIS, HIRES] subcontractors, purchases materials, and, as such, sees to the paying for all labor, subcontractors, and materials; in this case, the owner shall be limited to construction of one home, duplex, triplex, four-plex, or commercial building every two years; the exemption in this paragraph does not apply if the structure under construction is advertised for sale or sold during the period of construction or for two years after the period of construction ends, unless the owner can demonstrate to the department's satisfaction that the sale would not result in circumvention of the requirements under this chapter;

(12) [(13)] a person performing construction work incidental to farming, dairying, agriculture, horticulture, stock or poultry raising, mining, logging, fishing, clearing, or other work upon the land in rural districts for fire prevention purposes, or access road building, unless the person is a licensee.

\* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to read:

1           APPLICABILITY. This Act applies to construction begun under AS 08.18.161(11), as  
2 amended by sec. 1 of this Act, on or after the effective date of this Act. For the purposes of  
3 this section, construction begins on the date that is the earlier of when the owner

4                   (1) begins the actual construction work; or

5                   (2) enters into an agreement with another person for the other person to  
6 provide labor, to act as a subcontractor, or to provide materials for the construction.